



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

JON S. CORZINE
Governor

LISA P. JACKSON
Commissioner

IN THE MATTER OF THE : ADMINISTRATIVE
THE LINDEN SITE : CONSENT ORDER
GAF CHEMICALS CORPORATION : AMENDMENT

PI# G000001667
CSL# NJD002185973

This Administrative Consent Order Amendment is issued pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection (hereinafter "the Department" or "NJDEP") by N.J.S.A. 13:1D-1 et seq., and the Brownfield and Contaminated Site Remediation Act, N.J.S.A. 58:10B-1 et seq., and the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq., and the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq. and duly delegated to the Assistant Director, Division of Remediation Support, Oversight Resources Allocation Element, pursuant to N.J.S.A. 13:1B-4.

FINDINGS

1. The GAF Chemicals Corporation Site is located on South Wood Avenue, Block 587, Lots 1 and 2.1, City of Linden, Union County, New Jersey (hereinafter the "Site" or the "Linden Site").
2. GAF Chemicals Corporation entered into an Administrative Consent Order with the NJDEP on June 16, 1989 (hereinafter the "1989 ACO"), in which GAF Chemicals Corporation agreed to conduct a remedial investigation and feasibility study of remedial action alternatives and to design and implement a remedial action alternative to remedy any and all contamination at the Site, emanating from the Site, or which has emanated from the Site.
3. Through a series of transactions, ISP Environmental Services Inc. has assumed responsibility for the 1989 ACO.
4. ISP Chemco Inc. is executing this Administrative Consent Order Amendment (hereinafter "ACO Amendment") as a guarantor for ISP Environmental Services Inc., solely with respect to matters addressed in the ACO Amendment.

ORDER

1. Remediation Funding Source And Remediation Funding Source Surcharge
5. ISP Chemco Inc. agrees to establish and maintain for the duration of this ACO Amendment a remediation funding source in an amount equal to the Department approved estimate of the remediation

costs related to the compliance of the 1989 ACO, including all operation, maintenance and monitoring costs of all engineering and institutional controls, pursuant to N.J.A.C. 7:26E-8, used to remediate the Site, pursuant to N.J.A.C. 7:26C-7. ISP Chemco Inc. agrees that the initial remediation funding source amount is \$7,500,000.00.

6. ISP Chemco Inc. agrees to pay an annual remediation funding source surcharge if required to do so pursuant to N.J.A.C. 7:26C-7.8.

7. Should ISP Chemco Inc. fail to establish and maintain the remediation funding source as required in this ACO Amendment, upon notification from the Department ISP Environmental Services Inc. shall establish and maintain a remediation funding source for this Site. ISP Environmental Services Inc.'s obligations with respect to the Remediation Funding Source and Remediation Funding Source surcharge are governed by the 1989 ACO.

8. Upon the Department's receipt and approval of a remediation funding source from ISP Environmental Services, Inc., this ACO Amendment shall become null and void and ISP Chemco Inc.'s remediation funding source shall be returned.

II. General Provisions

9. This ACO Amendment is intended to supplement the existing 1989 ACO. The provisions of this ACO Amendment shall become part of the 1989 ACO. The 1989 ACO, as amended, shall remain in full force and effect and ISP Environmental Services Inc. shall continue to comply with the 1989 ACO.

10. ISP Chemco Inc. and ISP Environmental Services Inc. agree to comply with this ACO Amendment, which shall be fully enforceable as an Order in the New Jersey Superior Court pursuant to the Department's statutory authority.

11. This ACO Amendment shall automatically terminate upon ISP Environmental Services Inc. receipt of written notice from the Department stating the remediation is complete and there is no further obligation to maintain a remediation funding source for the Site.

12. This ACO Amendment shall be governed and interpreted under the laws of the State of New Jersey.

13. If any provision of this ACO Amendment or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this ACO Amendment of the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each provision of the ACO Amendment shall be valid and enforced to the fullest extent permitted by law.

14. This ACO Amendment shall be binding, jointly and severally, on each party, its successors, assignees, and any trustee in bankruptcy or receiver appointed pursuant to a proceeding in law or equity. No change in the ownership or corporate status of any party or of the Site shall alter any party's responsibilities under this ACO Amendment.

15. By the execution of this ACO Amendment, NJDEP does not release any person from any liabilities or obligations such person may have pursuant to any other applicable authority, nor does NJDEP waive any of its rights or remedies pursuant thereto.

16. ISP Environmental Services Inc. and ISP Chemco Inc. agree to submit to the Department along with three signed original copies of this ACO Amendment: 1.) documentary evidence, such as a corporate resolution or a certification by a corporate officer, that the signatories have the authority to bind ISP Environmental Service Inc. and ISP Chemco Inc. to the terms of the ACO Amendment, and 2.) proof that the remediation funding source has been established pursuant to N.J.A.C. 7:26C-7.7.

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

Date: 04/18/06 By: Ronald T. Corcoran
Ronald T. Corcoran, Assistant Director
Oversight Resources Allocation Element

ISP ENVIRONMENTAL SERVICES INC.

Date: 5-3-06 By: Edward T. Prosapio
Signature
Edward T. Prosapio
Print Full Name Signed Above
Treasurer
Title

ISP CHEMCO INC.

Date: 5-3-06 By: Edward T. Prosapio
Signature
Edward T. Prosapio
Print Full Name Signed Above
Treasurer
Title

COMPANY AUTHORIZATION

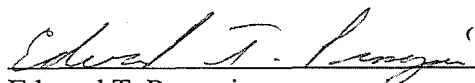
ISP CHEMCO INC.

The undersigned, being the Secretary of ISP CHEMCO INC. (the "Company"), a corporation duly organized and validly existing under the laws of the State of Delaware, hereby certifies on this date as follows:

Administrative Consent Order Amendment

That Edward T. Prosapio, acting in his capacity as Treasurer of the Company, is authorized to execute and deliver the Administrative Consent Order Amendment (the "ACO Amendment"), by and among ISP CHEMCO INC., ISP ENVIRONMENTAL SERVICES INC., and the New Jersey Department of Environmental Protection, including all amendments, modifications and supplements to the ACO Amendment, for the property known as the GAF Chemicals Corporation Site, located on South Wood Avenue, Block 587, Lots 1 and 2.1, City of Linden, Union County, New Jersey (the "Property").

Dated: May 3, 2006



Edward T. Prosapio
Treasurer, ISP Chemco Inc.



Hollie M. Teslow
Secretary, ISP Chemco Inc.

COMPANY AUTHORIZATION

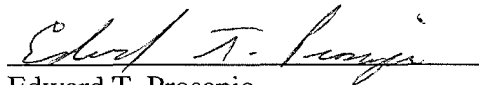
ISP ENVIRONMENTAL SERVICES INC.

The undersigned, being the Secretary of ISP ENVIRONMENTAL SERVICES INC. (the "Company"), a corporation duly organized and validly existing under the laws of the State of Delaware, hereby certifies on this date as follows:

Administrative Consent Order Amendment

That Edward T. Prosapio, acting in his capacity as Treasurer of the Company, is authorized to execute and deliver the Administrative Consent Order Amendment (the "ACO Amendment"), by and among ISP CHEMCO INC., ISP ENVIRONMENTAL SERVICES INC., and the New Jersey Department of Environmental Protection, including all amendments, modifications and supplements to the ACO Amendment, for the property known as the GAF Chemicals Corporation Site, located on South Wood Avenue, Block 587, Lots 1 and 2.1, City of Linden, Union County, New Jersey (the "Property").

Dated: May 3, 2006



Edward T. Prosapio
Treasurer, ISP Environmental Services Inc.



Hollie M. Teslow
Secretary, ISP Environmental Services Inc.

Division of Remediation Support
Oversight Resources Allocation Element
Office of Accountability
401 East State Street, 5th Floor West
P.O. Box 028
Trenton, NJ 08625
FAX (609) 633-1439

SELF-GUARANTEE APPLICATION

This application is prepared in conjunction with N.J.A.C. 7:26C-7.7.

Please send the completed form to:

Division of Remediation Support
Oversight Resources Allocation Element
Office of Accountability
401 East State Street, 5th Floor W
P.O. Box 028
Trenton, NJ 08625-0028
Attn: Remediation Funding Source Coordinator

An application for Self-Guarantee should include the following information:

1. Site information:

NJDEP Program Interest #/Case Number: G000001667
Contaminated Site List Number: NJD002185973
NJDEP Program Site Name: GAF Chemicals Corporation
Site location: South Wood Avenue, Linden, Union County, New Jersey
Oversight Document Type and Date executed: ACO, dated June 16, 1989,
as amended by ACO Amendment, dated May 3, 2006

2. Self-Guarantee Applicant's Information:

Company: ISP Chemco Inc. on behalf of ISP Environmental Services Inc.
Contact Person: Celeste Wills, Esq.
Address: 1361 Alps Road, Wayne, New Jersey 07470
Telephone number: 973-628-3035
Fax number: 973-628-3196
E-mail address: cwills@ispcorp.com

3. Amount of Remediation Funding Source to be posted:

\$ 7,500,000

4. a. Estimated remaining cost of remediation:

\$ 7,500,000

b. Estimated cost of remediation for the following 12-month period

\$ 2,000,000

5. The following Financial Documentation from the most current Fiscal Year End MUST be attached:

- An audited financial statement prepared in accordance with the American Institute for Certified Public Accountants guidelines, including but not limited to income statement, balance sheet and consolidated statement of cash flow.

6. **PLEASE FILL IN ITEMS 6A-6D BELOW. THE INFORMATION PROVIDED SHOULD COME FROM THE FINANCIAL DOCUMENTATION PROVIDED IN ITEM #5. NEXT TO EACH VALUE, PLEASE INDICATE THE PAGE ON WHICH THE INFORMATION CAN BE FOUND.**

The following statements are to be made from the chief financial officer or similar officer of ISP Chemco Inc. (Self-Guarantor) and that the information provided in the written statements is true to the best of the officer's information, knowledge and belief and meets the requirements of N.J.S.A. 58:10B-3(f):

a. Does the estimated cost of remediation exceed one-third of guarantor's net worth?

 YES X NO

| | |
|--|-----------------------|
| Self Guarantor's Net Worth (pg. <u>4</u>) | \$ <u>440,038,000</u> |
| One-third of above | \$ <u>146,708,669</u> |
| Estimated cost of remediation | \$ <u>7,500,000</u> |

b. Is cash flow sufficient to assure the availability of sufficient monies for the remediation?

 X YES NO

| | |
|--|----------------------|
| Self Guarantor's Net Cash provided by operating activities (pg. <u>5</u>) | \$ <u>90,049,000</u> |
| Estimated cost of remediation | \$ <u>7,500,000</u> |

c. Do the gross receipts (revenues) exceed gross payments (expenses) for the preceding fiscal year ?

 X YES NO

| | |
|---|-------------------------|
| Gross Receipts (revenues) (pg. <u>3</u>) | \$ <u>1,355,286,000</u> |
| Gross Payments (cost and expenses excluding interest and tax) (pg. <u>3</u>) | \$ <u>1,209,666,000</u> |
| Net Income | \$ <u>145,620,000</u> |

d. Are the gross receipts greater than the estimated costs for completing the remediation?

 X YES NO

Gross Receipts (revenues) (pg. 3)

\$ 1,355,286,000

Estimated cost of remediation

\$ 7,500,000

The aforementioned statement should be certified and notarized in accordance with N.J.A.C. 7:26C-1.2(a)2.

CERTIFICATIONS

"I certify under penalty of law that I am fully aware of the requirements of N.J.S.A. 58:10B-3 as they pertain to remediation funding sources. Specifically, I am aware of the responsibilities to establish and maintain the remediation funding source. Additionally, I acknowledge that the remediation funding source as required by N.J.A.C. 7:26C-7 shall be maintained until such time as an alternative remediation funding source is submitted to the Department and it has been approved by the Department in writing or the Department determines that it is no longer necessary to maintain a remediation funding source. I am aware that there are significant civil penalties for knowingly submitting false, inaccurate or incomplete information and that I am committing a crime of the fourth degree if I make a written false statement, which I do not believe to be true. I am also aware that if I knowingly direct or authorize the violation of any statute, I am personally liable for the penalties."

ISP CHEMCO INC., a Delaware corporation

By: Edwin T. Proyer
Signature/Title Treasurer

5-3-06
Date